

## PERSONAL PROPERTY TAX RELIEF IN DISTRESSED COMMUNITIES (P.A. 328)

**Public Act 328 of 1998 (P.A. 328)** allows distressed communities, county seats and certain border county communities to abate personal property taxes on new investments made by eligible businesses.

### ELIGIBILITY AND PROCESS

Cities, villages, and townships that contain distressed areas (as defined under the Michigan State Housing Development Authority Act), and all county seats (as defined under the Neighborhood Enterprise Zone Act) are eligible to participate. Eligible cities, villages, townships, and county seats are listed on page two of this fact sheet.

Eligible businesses that locate in a border county and receive approval from the Michigan State Treasurer and President of the Michigan Strategic Fund may receive this incentive. Berrien, Branch, Cass, Chippewa, Dickinson, Gogebic, Hillsdale, Iron, Lenawee, Menominee, Monroe, St. Clair, St. Joseph and Wayne counties are eligible counties. The business must locate in a local governmental unit that is served by at least four of the following services: water, sewer, police, fire, trash or recycling.

In addition, businesses authorized under the Michigan Economic Growth Authority (MEGA) are eligible to receive this incentive.

Eligible projects include manufacturing, mining, research and development, wholesale trade and office operations. Retail businesses and casinos are not eligible.

Businesses may apply for the abatement through their local taxing unit if located in an eligible community. Locally approved applications are filed with the State Tax Commission (STC), which must approve or deny the local resolution within 60 days. The State Treasurer, with the written consent of the Michigan Economic Development Corporation<sup>SM</sup> (MEDC), is required to provide advice to the STC as to whether the exemption is necessary to “reduce unemployment, promote economic growth, and increase capital investment.”

New personal property is property not previously subject to property taxes in any other jurisdiction in this state. This includes personal property already in Michigan, but exempt for another reason (i.e. if owned by a local unit of government). To determine if certain property is considered new, please contact the Department of Treasury at 517.373.3272.

### TERMS OF ABATEMENT

Abatements under P.A. 328 reduce property taxes by the full millage rate (including state and local levies). The eligible local units may, by resolution, exempt new personal property in any of the following areas: an industrial development district (P.A. 198 of 1974), a Renaissance Zone®, an enterprise zone, a brownfield redevelopment zone, an empowerment zone, a tax increment financing district, a local development financing district, or a downtown development district.

The local community and the business negotiate the length of abatement for the new personal property tax. The law does not contain a maximum or minimum number of years.

For more information, contact the MEDC Customer Assistance Center at 517.373.9808.

*(List of Eligible Distressed Areas and County Seats on next page.)*

## ELIGIBLE DISTRESSED COMMUNITIES AND COUNTY SEATS

This list of Eligible Distressed Areas and County Seats reflects a group of communities that qualify based on Neighborhood Enterprise Zone designation, pursuant to changes to P.A. 147 of 1992.

**170 EDAs | 129 cities | 26 townships | 15 villages**

### CITIES

Adrian	Crystal Falls	Hastings	Mason	Saginaw
Albion	Dearborn	Hazel Park	Melvindale	Sandusky
Allegan	Dearborn Heights	Highland Park	Menominee	Sault Ste. Marie
Alma	Detroit	Hillsdale	Midland	Southfield
Alpena	Dowagiac	Holland	Monroe	St. Ignace
Ann Arbor	East Lansing	Houghton	Mt. Clemens	St. Johns
Bad Axe	Eastpointe	Howell	Mt. Morris	St. Joseph
Bangor	Ecorse	Inkster	Mt. Pleasant	St. Louis
Battle Creek	Escanaba	Ionia	Munising	Standish
Bay City	Ferndale	Ironwood	Muskegon	Stanton
Benton Harbor	Flint	Iron Mountain	Muskegon Heights	Sturgis
Bessemer	Gaastra	Iron River	Niles	Tawas City
Big Rapids	Gaylord	Ishpeming	Norton Shores	Taylor
Bronson	Gibraltar	Ithaca	Norway	Three Rivers
Burton	Gladstone	Jackson	Oak Park	Traverse City
Cadillac	Gladwin	Kalamazoo	Omer	Trenton
Caro	Grand Haven	Lake City	Onaway	Vassar
Carson City	Grand Rapids	Lansing	Owosso	Wakefield
Caspian	Grayling	Lapeer	Petoskey	Warren
Center Line	Hamtramck	Lincoln Park	Pinconning	Wayne
Charlevoix	Harbor Beach	Livonia	Pontiac	West Branch
Charlotte	Harper Woods	Ludington	Portage	White Cloud
Cheboygan	Harrison	Manistee	Port Huron	Wyandotte
Coldwater	Harrisville	Manistique	Reed City	Wyoming
Coleman	Hart	Marquette	River Rouge	Ypsilanti
Corunna	Hartford	Marshall	Rogers City	

### TOWNSHIPS

Benton (Berrien)	Carrollton (Saginaw)	Elmwood (Tuscola)	Mt. Morris (Genesee)	Royal Oak (Oakland)
Buena Vista (Saginaw)	Champion (Marquette)	Emerson (Gratiot)	Oscoda (Iosco)	Sebewaing (Huron)
Calumet (Houghton)	Columbia (Tuscola)	Genesee (Genesee)	Oliver (Huron)	Sheridan (Calhoun)
Carp Lake (Ontonagon)	Duncan (Houghton)	Marlette (Sanilac)	Pulawski (Presque Isle)	Spaulding (Saginaw)
	Elba (Gratiot)	Minden (Sanilac)	Redford (Wayne)	Turner (Arenac)
		Montrose (Genesee)		Wisner (Tuscola)

### VILLAGES

Atlanta	Beulah	Eagle River	Leland	Ontonagon
Baldwin	Cassopolis	Kalkaska	Mio	Paw Paw
Bellaire	Centreville	L'Anse	Newberry	Roscommon